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April 25, 2012

State of Utah
Division of Oil, Gas and Mining
1594 W. North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Tom Monson

Dear Tom:

Uranium One understands that we will not initiate mining at the Velvet mine until a revised mine plan has been submitted and the bond has been adjusted if needed. We will still have the right to access the water monitoring wells and the Velvet Shafts under the Velvet Mine Plan and that the bonds for these disturbances will be covered by the Velvet Mine Bond of \$52,274.20 as revised by the Division on March 6, 2012 and accepted by Uranium One.

Sincerely,

A handwritten signature in blue ink that reads "Larry M. Trimble".

Larry M. Trimble
Senior Geologist

RECEIVED

APR 27 2012

DIV OF OIL, GAS, & MINING